

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON TUESDAY, 21 JUNE 2011
IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 9.30 PM**

Members Present:	D Jacobs (Chairman), G Waller (Vice-Chairman), K Angold-Stephens (Chairman of Council), R Bassett, K Chana (Deputy Portfolio Holder (Safer and Greener)), R Cohen, J Hart and P Keska
Other members present:	A Lion, Mrs M McEwen, G Mohindra, D Stallan, Ms S Watson and C Whitbread
Apologies for Absence:	S Murray and W Pryor
Officers Present	D Macnab (Acting Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), P Maddock (Assistant Director (Accountancy)), N Richardson (Assistant Director (Development Control)), S Tautz (Performance Improvement Manager), P Maginnis (Assistant Director (Human Resources)), J Twinn (Assistant Director (Benefits)), R Pavey (Assistant Director (Revenues)), M Warr (Performance Improvement Officer), V Loftis (Market Research Consultation Officer) and A Hendry (Democratic Services Officer)

1. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Panel noted that there were no substitute members.

2. DECLARATION OF INTERESTS

No declarations of interest were made.

3. MINUTES FROM THE LAST MEETING

The minutes from the previous meeting held on 10 March 2011 were agreed.

4. TERMS OF REFERENCE / WORK PROGRAMME

The Panel noted their Terms of Reference and Work Programme.

5. MEASUREMENT OF AVOIDABLE CONTACT (LPI NI 14) - OUTTURN OF 2010/11 EXERCISE AND FUTURE WORK

The Assistant Head of Finance, Rob Pavey, introduced an outturn report on the results of the avoidable contact exercise for 2010/11. The Panel noted progress against the action plan developed for the year, which also indicated that there were areas of customer service that could benefit from additional work, particularly around e-mail spam, signposting and the use of outlying officers. The Panel considered that this work would be taken forward by a new approach to improving customer services rather than the continuation of the avoidable contact process, given the Council's other current priorities, so as to enable a broader view of customer service needs to be undertaken. As a result the Panel agreed that further work in respect of avoidable

contact should be ceased, as this would not necessarily represent an effective use of the limited resources likely to be available in the future.

The Panel considered the report and noted that:

- Staff vacancies within the Benefits Division had affected customers chasing the progress of claims, but the council was still in a better position than last year;
- Staff were being cross trained in order to cover the work of other officers in the Benefits Decision to minimise disruption;
- Any problems relating to the waste collection service during the severe winter weather in December 2010 and January 2011 had been successfully publicised and explanations offered, to keep the public informed;
- A list of contacts for officers in the Environment and Street Scene Directorate would be published in the Council Bulletin;
- The website Development Board would consider options for members of the public contacting the council through the website, to be updated by email in respect of issues such as necessary revisions to recycling arrangements during periods of inclement weather.

RESOLVED:

- (1) That the results of the avoidable contact exercise for 2010/11 and the progress against the action plan for the year be noted; and
- (2) That work in relation to avoidable contact be ceased and an appropriate approach be developed to address those customer service issues arising from the data collection exercise for 2010/11.

6. KEY PERFORMANCE INDICATORS 2011/12 (TARGET SETTING - LPI 45) - NUMBER OF APPEALS ALLOWED AGAINST REFUSAL OF PLANNING APPLICATIONS

The Assistant Director Planning, Nigel Richardson, introduced the report on Key Performance Indicator LPI 45 – number of appeals allowed against refusal of planning applications.

It had been noted at the March 2011 meeting of this Panel that performance indicator LPI 45 was not being achieved, indeed, it had not been since 2006. Officers had reported that was partly because of the high number of planning appeals being allowed by the Planning Inspectorate in those cases where the Directorate of Planning's recommendation were being reversed and refused at planning sub-committees.

It had been agreed that the indicator should apply to all planning application appeal types and that LPI 45 should be split into two performances; one for Planning committees reversals (where the relevant Planning committee disagreed with and overturned the planning officer's recommendation) and secondly, decisions primarily made under delegated powers. However, there was concern raised over balanced decisions; would it be unreasonable to have a target set for this? Officers also thought that appeal costs awarded against the Council should not have a target set as last year there was only one case and it was considered unnecessary to have a target on this.

Officers considered it was reasonable for officers to have a target set at 25% and for members to have a 50% target.

It was noted that often members refused an application when there was considerable opposition from local residents; officers understood the pressure put upon members in these circumstances, but it needs clear planning policy backing and justification, otherwise appeals would be allowed.

Asked, if on balance, the Council had more successes at appeals, the officer could not answer as he did not have the information available, but promised to put this in their six-monthly report to the area sub-committees.

The Panel also wanted to know if officers had figures of any costs that the Council had asked for. They were told that the Council rarely asked for costs because of the difficulty in showing the appellant has acted unreasonably in making an appeal. As for balanced reports, each report should have a recommendation on it and the report make clear the issues are balanced. This also could be picked up in the six monthly reports that go to the area Sub-committees. Members also considered that as officers were already achieving their 25% target that it should be lowered to 20%.

As for costs, the level depended on the case. One case could cost as much as three or four smaller cases. Mr Richardson agreed it was a difficult target to set and said he could look at what other authorities did. The Acting Chief Executive, Mr Macnab said that this was really something that the Planning Services Scrutiny Panel should have a detailed look at.

RESOLVED:

- (1) That a target of 50% be set for the Planning Appeals allowed against the refusal of planning applications as a result of Committee Reversals (KPI 55 for 2011/12);
- (2) That a target of 20% be set for Planning Appeals allowed against the refusal of planning applications as a result of officer recommendations and delegated decisions (KPI 55 for 2011/12); and
- (3) That the Planning Services Scrutiny Standing Panel be asked to consider the issue of appeal costs awarded against the Council.

7. KEY PERFORMANCE INDICATORS 2010/11 - OUTTURN

The Performance Improvement Manager, Mr S Tautz, introduced a report on the Council's outturn performance for 2010/11 in relation to the Key Performance Indicators (KPI) adopted for the year. The Panel noted that 62.5% of the performance targets had been achieved for 2010/11. They also noted that the government had withdrawn eight national indicators and had been removed from the reporting requirements for 2010/11, bringing the reportable indicator total down to forty KPI for the year.

Members were reminded that the Secretary of State for Communities and Local Government had announced changes to existing performance arrangements in October 2010, including the cessation of the National Indicator Set. Whilst the majority of the National Indicators had continued until 31 March 2011, several had been immediately ceased by government departments and the requirement for the Council to collect and report data against several indicators for 2010/11 had subsequently removed during the year.

The Panel noted that 62.5% of the KPI performance targets had been achieved for 2010/11, although one further indicator could not currently be reported. Members were advised that the Finance and Performance Management Cabinet Committee had recommended that the corporate target of 70% set for the achievement of year-on-year improvement against the KPIs for 2010/11 be maintained for 2011/12.

The Panel then went through the Quarter 4 indicators for last year. They noted that:

LPI 24a – *Number of visits to the Councils website* – that the figures had dropped off recently and this was because there had been a technical fault with the previous readings, overstating the numbers. These new figures were a true reading and showed an increasing trend.

LPI 52 (a) & (b) – *Implementation of formal containerised recycling facilities in flats and communal buildings (% surveyed) and (% implemented)* – performance for these indicators had reached the target of 100% and they had been discontinued as KPIs for 2011/12.

Councillor Waller noted that some indicators were reported on quarterly and some were cumulative. He would rather have quarterly figures unless there was a good reason not to. Mr Tautz said that KPI reporting had generally moved towards cumulative performance for majority of indicators, as this better met the information requirements previously identified by the Scrutiny Panel. The Performance Improvement Unit was also looking at profiling some indicator targets for 2011/12 on a quarter by quarter basis, but this did not suit all indicators.

LPI 01 – *The level of Equality Framework for Local Government to which the Council conforms* – the last sentence under corrective action proposing the deletion of this indicator was withdrawn as it had previously been agreed that the KPI be retained for 2011/12.

LPI 24b – *The quality of the Council's Website* – the level had slipped from a three to a one for the last year – this had come as a surprise to officers as they had put in extra resources into the website to pull the Council up to a three rating.

ACTION: An explanatory report would be brought to the next meeting of the Panel.

LPis 39, 40 and 41 – *Rent arrears as a % of rental income (excluding housing); Occupation rate of commercial and industrial property; and Rental value as a percentage yield of the commercial and industrial portfolio asset value* – these were lacking comments in respect of current performance and corrective action.

ACTION: To ask the Director of Corporate Support Services to provide the Scrutiny Panel with contextual detail on the year-on-year performance of each of these indicators, together with an outline of the corrective action proposed to improve performance in 2011/12 for the two indicators that did not achieve target.

NI 195 – *Improved street and environmental cleanliness (Fly-Tipping)* – asked if the Council would be likely to achieve a level 2 performance, the Panel were informed that officers were carrying out more investigations and prosecutions than ever before, but in order to achieve a better grading there had to be less fly-tipping in the district. The public had to be better informed that they would face prosecution if they did this.

LPI 14 – *Percentage of Council Tax collected* – asked if the recession had affected this indicator the Panel were told the figures had only dropped by a half a percentage point. This was due largely to improved processes and systems. The only possible

problems were Business rates as rural districts tended to struggle with commercial rates.

LPI 05 – *The average number of days taken to re-let Council Dwellings* – the Panel noted that now that the works units are under new management. Would this show in improved figures in the next quarter? The Director of Housing confirmed that a private contractor had been appointed and had now started work. All targets had been tightened and performance payments paid only when they achieve all five targets in a quarter. They noted that it would take some time for the improvements to come into force and were looking to the half year mark to notice any improvements.

NI 185 – *The proportion of CO2 reduction from local authority operations*; **NI187** – *Tackling fuel poverty...*; **LPI 44** – *The achievement of milestones within the Local Development Scheme* – Director of Planning and Economic Development to report back at the next meeting on proposals for the revision of these indicators for 2011/12.

RESOLVED:

- (1) That the Council's outturn performance for 2010/11, in relation to the Key Performance Indicators adopted for the year, be noted;
- (2) That:
 - (a) KPI 05 (Avoidable Contact) be deleted as a Key Performance Indicator for 2011/12;
 - (b) the proposed arrangements for the revision of Key Performance Indicators KPI 01 (Equality Framework for Local Government), KPI 58 (CO² Reduction from Local Authority Operations) and KPI 59 (Fuel Poverty) for 2011/12 and KPI 57 (Local Development Scheme) be agreed; and
 - (c) a corporate target of 70% be set for the achievement of year-on-year improvement against the adopted Key Performance Indicators for 2011/12.

8. CORPORATE STRATEGY TOOL 2011/12

The Panel received a real time demonstration, by Mike Warr, of the Council's newly created interactive 'Corporate Strategy Tool' located on the Council's website. The tool will enable all users of the Council's website to explore the linkages between the Council's aims, objectives and performance, via the Key Performance Indicators, as well as examining the current levels of performance.

The tool was designed to help users to understand the links and relationships between the authority's aims, objectives and indicators and how these related to the Sustainable Community Strategy, the Corporate Plan and the Council's service directorates and portfolios. The tool could be used to view the most up-to-date quarterly performance reports for each of the KPIs and to scrutinise indicator definitions and current Business Plan for each directorate and service area.

The Panel were pleased to see the system and thought it was important initiative from an Audit and transparency point of view, linking back to the overall strategy of the Council. They were concerned that the public might need a user guide or a

glossary of terms to help them use the tool, as they would not be as familiar with the terms used as councillors or officers. Explanatory pages might also be needed at the front end of the system and officers agreed to consider these matters as part of the fine tuning of the system.

Mr Warr reported that the system would be publicised by an article in 'the Forester' and was currently featured on the front page of the website.

The Panel queried whether the performance information would be updated regularly; officers assured them that it would be updated quarterly with the KPI reports produced for consideration by the Scrutiny Panel. Performance data would also be contextualised by the relevant service director. The Panel welcomed the fact the information was put into some sort of context as many websites just published raw data.

The Panel suggested that:

- Annual historical data from the past 4 years also be loaded on to the system so that people had some sort of historical context for the data. The current year could be updated on a quarterly basis so the site would have five years of information on it.
- They also suggested that the pages should have some sort of generic email address so that members of the public could email questions in relation to performance data. However, they did not want officers or Directors contact details on the site as the requests could overwhelm them. Mr Warr undertook to investigate options in this respect and confirmed that arrangements were in place to monitor the level of on-line use of the tool.
- They were also not too happy with the name of the system, and did not think 'Corporate Strategy Tool' appropriate. Officers would rethink this.

RESOLVED:

That the development and online launch of the Council's Corporate Strategy Tool be welcomed.

9. EQUALITY AND DIVERSITY - PROGRESS REPORT 2010/11

The Performance Improvement Manager, Mr S Tautz, introduced the report on the Council's progress towards the achievement of its equality duties and performance in relation to the Equality Framework for Local Government for 2010/11.

The Panel noted that the Council's performance against the Equality Framework for 2010/11 had been maintained at Level 1, ('Developing'). This was in part due to the unacceptable expense (in the current financial climate) of undertaking a formal external assessment (peer challenge) for Level 2 of the framework.

Members also received details of progress in relation to a range of equality initiatives undertaken over the last year and the work of the Corporate Equality Working Group to develop and implement the Council's approach to equality; and the Staff Equality Group established to provide an opportunity for staff across the authority to engage with the Council in relation to equality issues.

RESOLVED:

- (1) That the current progress in relation to a range of equality requirements and initiatives be noted; and
- (2) That the Council's outturn performance for 2010/11, in relation to the Equality Framework for Local Government also be noted.

10. SICK ABSENCES

The Assistant Director (Human Resources), Paula Maginnis, introduced the sick absence report for 2010/11. The Panel noted that two thirds of staff had no sick absences at all during the last year and that the Council had met and surpassed its target of 8 days by achieving a figure of 7.85 days. A target of 7.75 days had been set for the sickness absence Key Performance Indicator (KPI) for the current year.

Members had expressed concern that Housing had a total average of 10.26 days staff sickness absence during 2010/11 and noted that this was mainly due to the long term sickness of a few members of staff. The Director of Housing confirmed that Managers strictly followed the Council's Managing Absence Policy and closely monitored all such situations. As Housing was the biggest Directorate the Panel agreed that they would like their figures broken down for the next quarterly report.

The Panel noted that this was a good news story and that the figures were moving in the right direction.

RESOLVED:

That the outturn sickness absence report for 2010/11 be noted.

11. CONSULTATION PLAN 2011/12 AND REGISTER 2010/11

The Market Research and Consultation Officer, Val Loftis, introduced the report on the Consultation Plan 2011/12 and Register 2010/11. The Consultation Plan for 2011/12 set out the issues on which individual services would be consulting or engaging residents or customers during the year. It set out the overall objective for each consultation exercise, how each exercise would be undertaken and the methods to be used.

The Consultation Register incorporated the results of consultation exercises undertaken during the preceding twelve months and gave details as to the purpose, start and finish dates, and the service area carrying out the surveys.

The Panel acknowledged that the many of the consultations exercises undertaken were statutory and wondered if the Council got any of the costs back for these exercises and what would happen if they were not completed. Mrs Loftis said that a lot of directorates were saving money by carrying them out in house and not employing consultants. Sometimes the costs were shared with other authorities. The Consultation Plan and Register would be updated for the future to incorporate an indication indicating if the consultation was a statutory one or a voluntary one.

The report noted that a lot of the younger population was using the new social media, such as 'Facebook' and it was important to be able to access new information streams in the future. The Panel although supportive, were concerned that use of social media may lead to information being distorted as it was spread via the social networking sites; some Councils had to monitor their 'Facebook' sites and this was an extra drain on resources.

AGREED: that a report on the use of Social Media for consultation purposes be brought to a future meeting.

RESOLVED:

That the Consultation Plan for 2011/12 and the Consultation Register for 2010/11 be noted.

12. CONSULTATION - FUTURE OF LOCAL PUBLIC AUDIT

The Assistant Director of Finance, Peter Maddock, introduced the report on the Government Consultation paper on the 'future of local public audit'. The Panel noted that the end date for this consultation exercise was 30 June 2011 and that it was a long and detailed questionnaire, most of which were either not relevant to the Council or too complex to easily form a view on.

The Panel did not want Audit to be just a box ticking exercise they should be looking to the Council to work legally, fairly and to have value for money in all their dealings. They hoped that the quality of external audits would be as rigorous as in the past despite the abolition of the Audit Commission. It would be useful to have non-executive members who knew this organisation well and how it worked. It should not require a Chairman who is co-opted or have a majority of members that are co-opted. In this they were largely in agreement with the views of the Finance and Performance Cabinet Committee. They also noted that co-opted members were hard to get and would have the same liability as an ordinary member although they would not have any decision making powers. It was also considered that Town and Parish Councils should be free to appoint their own monitor.

Their views will be shared with the Audit and Governance Committee.

RESOLVED:

That the Panel considered and commented on the Government consultation paper 'Future of Local Public Audit'.

13. PROVISIONAL CAPITAL OUTTURN 2010/11

The Assistant Director of Finance, Peter Maddock, introduced the report, Provisional Capital Outturn 2010/11, setting out the Council's capital programme for 2010/11 in terms of expenditure and financing and compared the actual outturn figures with the revised estimates.

The figures were broken down by directorate and went on to identify expenditure on a scheme by scheme basis. It also contains an analysis of the funds used to finance the Council's capital expenditure detailing the use of government grants, private funding, capital receipts and revenue contributions on capital outlay.

The Panel noted the overall position in 2010/11 was that a total of £9,931,000 was spent on Capital schemes, compared to a revised estimate of £11,422,000. This represented an underspend of £1,491,000 or 13% on the Council's revised capital budget. Expenditure on General Fund projects totalled £3,501,000, which was £1,285,000 or 27% less than anticipated, whilst expenditure on the Housing Revenue Account (HRA) totalled £6,430,000, which was £206,000 or 3% less than anticipated.

RESOLVED:

- (1) That the provisional outturn report for 2010/11 be noted;
- (2) That the retrospective approval for the over and underspends in 2010/11 on certain capital schemes as identified in the report be recommended to the Cabinet;
- (3) That approval for the carry forward of unspent capital estimates into 2011/12 relating to schemes on which slippage has occurred be recommended to the Cabinet; and
- (4) That retrospective approval for changes to the funding of the capital programme in 2010/11 be recommended to the Cabinet.

14. PROVISIONAL REVENUE OUTTURN 2010/11

The Assistant Director of Finance, Peter Maddock, introduced the report, Provisional Revenue Outturn 2010/11. This provided an overall summary of the revenue outturn for the financial year 2010/11.

The Panel noted that there were a number of savings (not including the savings made on salaries) when compared to the probable outturn, these include:

- (a) Building Maintenance (£49,000).
- (b) Some unspent monies relating to the HR corporate improvement budget (£45,000)
- (c) Further savings on Gas and Electricity over and above anticipated at the Civic Offices of £30,000. Given the likely increases in cost going forward these could probably be contained within the existing budget.
- (d) Savings on temporary legal staff and consultants (£35,000).
- (e) Additional income on Elections (£50,000)
- (f) A significant number of other budgets showing underspends of between £6,000 and £12,000.

The Continuing Services Budget expenditure was £825,000 below the original estimate and £590,000 lower than the probable outcome.

RESOLVED:

- (1) That the overall 2010/11 revenue outturn for the General Fund and Housing Revenue Account (HRA) be noted; and
- (2) That as detailed in Appendix D of the report, the carry forward of £462,000 District Development Fund expenditure be noted.

15. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE

To report back to the Overview and Scrutiny Committee with a general update on the reports considered at this meeting.

16. FUTURE MEETINGS

The dates for the future meetings of this Panel were noted.